

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 519 – SB 1320

March 18, 2017

SUMMARY OF ORIGINAL BILL: Requires the Board of Pharmacy, on or before January 15, 2018, to report to the Senate Health and Welfare Committee and the Health Committee of the House of Representatives concerning the quantity and kinds of prescription drugs disposed of in the pharmacy drug disposal program. The report is required to identify the number and geographic distribution of pharmacies that participate in the program.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004783): Deletes all language after the enacting clause. Authorizes a nursing home to participate in a drug donation repository program until the Board for Licensing Health Care Facilities (BLHCF) promulgates rules to effectuate such participation. Directs the BLHCF to use emergency rulemaking to promulgate rules by January 1, 2018, to permit facilities to dispose of controlled substances and other prescription drugs by destruction using any means permitted by the Federal Drug Enforcement Administration. Further directs the BLHCF to use emergency rulemaking to promulgate rules by January 1, 2018, to permit the disposal by donation or other means, including a drug donation repository program, of prescription drugs that are not controlled substances.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on information provided by the Department of Health (DOH), the Board of Licensing Health Care Facilities (BLHCF) can authorize nursing homes to participate in a drug donation repository program utilizing existing resources until the Board meets and effectuates rules of participation.
- Based on information provided by the DOH, the BLHCF can promulgate emergency rules within existing resources, by January 1, 2018, to permit facilities licensed under

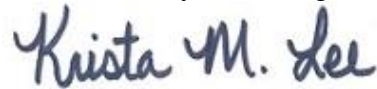
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Title 68, Chapter 11, Part 2 to dispose of controlled substances and other prescription drugs by destruction using any means permitted by the Federal Drug Enforcement Administration and permit the disposal by donation or other means, including a drug donation repository program, or prescription drugs that are not controlled substances; therefore, any fiscal impact to the Board will be not significant.

- The Board for Licensing Health Care Facilities is required to collect fees in an amount sufficient to pay the costs of operating the Board. All fees collected by the Board are deposited by the DOH with the State Treasurer to the credit of the General Fund and shall be expended by the Department and included in the appropriation made for the Board in the *General Appropriations Act*.
- Any change in expenditures of the Board is estimated to be not significant.
- The Board had a net surplus of \$401,492 in FY14-15 and a deficit of \$388,117 in FY15-16.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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